NTC's Plant to give fillip to its retail marketing

612. SHRIMATI T. RATNA BAI: Will the Minister of TEXTILES be pleased to state:

(a) whether the National Textile Corporation (NTC) plans to give a fillip to its retail marketing by developing new brands and reviving the existing ones;

(b) if so, the details thereof;

(c) the present position of NTC in the country especially the units in Andhra Pradesh districts like East and West Godavari;

(d) how many NTC mills closed during the last four years in Andhra Pradesh; and

(e) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir.

(b) NTC is planning to give a fillip to its retail marketing by developing new brands for various categories of consumers with modernization of its mills in progress.

(c) and (d) Out of the total 119 NTC mills, 2 mills have been transferred to the Government of Pudducherry. 67 unviable mills have been closed under Industrial Disputes (ID) Act after approval of Board for Industrial and Financial Reconstruction (BIFR). As per BIFR approval, 10 mills were identified for closure where most of the employees have opted for Modified Voluntary Retirement Scheme (MVRS) and there is no production activity in these mills; 22 mills are to be revived by NTC itself. 18 mills are to be modernized through JV partners. Out of these 119 mills, six NTC mills are situated in the state of Andhra Pradesh. Out of these, 4 unviable mills, *i.e.* Azamjahi Mills, Warrangal; Natraj Mills, Adilabad; Adoni Mills, Adoni and Netha Mills, Sikandrabad have been closed in the last 4 years under ID Act and one more mill, *i.e.* Ananthapur Cotton Mill, Tadapatri will be closed. One mill *i.e.* Tirupati Cotton Mill has been identified for modernization.

(e) Closure of these mills is done as per ID Act after BIFR approval as there is no production activity and most of the employees have opted for MVRS.

Low earnings of weaving households

613. SHRI C. RAMACHANDRAIAH: Will the Minister of TEXTILES be pleased to state:

(a) whether the issue of low earnings of the weaving households and the domination of weavers contractors which have been severely affecting the small scale rural weaving industry are being looked into by the Ministry;

(b) if so, whether any relief package is contemplated to improve the plight of poor weavers of the Telangana region of the Andhra Pradesh;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) Yes Sir.

(b) to (d) Government of Andhra Pradesh has envisaged to implement number of developmental and welfare schemes to ameliorate the living conditions of weavers in the State with the assistance of Government of India. The Schemes include Integrated Handlooms Development Scheme, Handloom Cluster Development Programme, Technology Upgradation Fund Scheme, Integrated Handlooms Training Project, Reimbursement of 10% One-time Rebate Scheme, Handloom Exhibitions, Mahatma Gandhi Bunkar Bima Yojana, Health Insurance Scheme, Thrift Fund-cum-Savings & Security Scheme, Workshed-cum-Housing Scheme, Old Age Pensions, Netha Bazaars, 10% Yarn Subsidy, Pavalavaddin Scheme/ Interest Subsidy etc.

This Ministry has constituted a high level committee headed by MD-NABARD to look into the problems of high cost of working capital and choking of credit lines in the handloom sector. The financial package for Handloom Sector worth Rs.2600 crore has been sent to Ministry of Finance for their approval. This financial package to handloom sector shall provide:

(i) Financing the credit needs of handloom weavers/societies at 7% rate of interest with interest subvention to NABARD and banks from Government of India.

(ii) Waiver of overdue loans and interest in respect of Weavers/PWCs/Apex Societies.

Government of India has been implementing various handloom schemes, which are equally applicable to all states, including the State of Andhra Pradesh. The Central assistance is released to State Government of Andhra Pradesh on receipt of viable proposals. Government of Andhra Pradesh has been released Rs. 1411.99 lakh, Rs. 1332.91 lakh and Rs.2472,06 lakh under various schemes during 2005-06, 2006-07 and 2007-08, respectively.

Relief package for textile industry

614. SHRI T.T.V. DHINAKARAN: Will the Minister of TEXTILES be pleased to state:

(a) whether Government proposes to provide a relief package for textile industry to bail out the industry from crisis;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN): (a) to (c) The Government has always endeavoured to extend timely and appropriate support to the textile industry. Government has, in the past, taken various steps to enable textile industry to overcome the crises. The steps taken by the Government in the past are given in the enclosed statement.

Statement

Steps taken by the Government to mitigate the problems faced by Indian Textile Industry over the past one year or so, specially in the wake of unprecedented appreciation of rupee vis-a-vis US Dollar and the other prevalent factors.

I. The Government provided, in 2007-08, several relief measures for Textiles exporters as under:

- Duty Entitlement Pass Book (DEPB) rates enhanced by 3%.
- Export Credit Guarantee Corporation (ECGC) premium reduced by 10%.